


**THIRTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
Second Regular Session**

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**SENATE
P.S. Resolution No. 427**

RECEIVED BY: 

Introduced by Senator Magsaysay, Jr.

RESOLUTION

DIRECTING THE COMMITTEE ON AGRICULTURE AND FOOD AND OTHER APPROPRIATE COMMITTEE/S TO INQUIRE, IN AID OF LEGISLATION, INTO THE HYBRID RICE COMMERCIALIZATION PROGRAM (HRCP) AND THE ALLEGED MISMANAGEMENT OF ITS FUNDS WITH THE END IN VIEW OF CHARTING REMEDIAL POLICY MEASURES TO EFFECTIVELY IMPLEMENT THE SAME

WHEREAS, it is enshrined in Article 2, Section 21 of the 1987 Constitution that, “the State shall promote comprehensive rural development and agrarian reform”;

WHEREAS, the Hybrid Rice Commercialization Program provides massive government subsidy in the purchase of hybrid rice seeds for distribution to local government units, non-government and people’s organizations;

WHEREAS, the program and its funds were managed and implemented by the Philippine Rice Research Institute (PhilRICE), which was thereafter moved from the Department of Agriculture (DA) and placed under the Office of the President, and reverted back to the DA in 2005;

WHEREAS, a Special Allotment Release Order (SARO) dated April 28, 2004 released 544 million pesos of the Marcos wealth for a hybrid rice commercialization program;

WHEREAS, the Commission on Audit (COA) discovered that the HRC Program could not properly account for more than 55.7 million pesos as of December 2004, and financial reports have not adequately covered the 945 million pesos hybrid funds of 2004;

WHEREAS, the HRCP budget for the year 2005 was 780 million pesos, and in the HRC Program document, the budget will be raised to 1.02 billion pesos this 2006 and 2.5 billion in 2007;

WHEREAS, a Philippine Institute for Development Studies report and an NGO, Rice Watch and Action Network, research report cited that around 80% of the farmers that received the seeds reject the HRC Program after one season;

WHEREAS, according to a PhilRICE and International Rice Research Institute (IRRI) study, seeds comprise only 9% of the production bottleneck of Philippine rice farms such as water, pests, diseases, soil fertility, etc., comprise 91% of the cause of under-productivity yet the HRC Program eats around 60% of the total government budget for the rice crop every year;

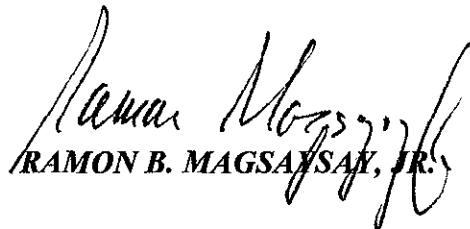
WHEREAS, hybrid rice adaptability to different site-specific tropical conditions of the Philippines remains a major research challenge causing production failures and farmer rejection of the seeds;

WHEREAS, the government subsidy for hybrid rice seeds is most probably benefiting only seed companies who supply the government;

WHEREAS, proper accounting of the Program and its over-all effect to the agricultural sector be fully/comprehensively studied.

THEREFORE, BE IT RESOLVED as it is hereby resolved, to direct the Committee on Agriculture and Food and other appropriate committee/s to conduct an inquiry, in aid of legislation, on the HRC Program and the alleged mismanagement of its funds with the end in view of charting remedial policy measures to effectively implement the same.

Adopted,


RAMON B. MAGSAYSAY, JR.